

INVITATION TO THE GENERAL MEETING

of Moravskoslezské cukrovary, a. s.
whose registered office is at Hrušovany nad Jevišovkou, Cukrovarská 657,
Post code 671 67 Company Registration No.: 46900764, a joint-stock
company entered in the Commercial Register kept by the Regional Court in
Part B., Insert 850

The Board of Directors of **Moravskoslezské cukrovary, a. s.** hereby convenes the ordinary general meeting to be held on 17th June 2015 at 15:00 p.m. in the Company's registered office at the address: Cukrovarská 657, Hrušovany nad Jevišovkou, Post Code 671 67, Czech Republic.

The agenda for the ordinary General Meeting is as follows:

- 1. Opening, check of the quorum for the ordinary General Meeting, election of the chairman of the General Meeting, a minutes clerk, a verifier of the minutes and a scrutineer**
Draft resolution: The General Meeting approves the elected chairman of the General Meeting, a minutes clerk, a verifier of the minutes and a scrutineer.
Reasoning: According to the valid legislation, the General Meeting is obliged to elect its bodies.
- 2. The Report of the Board of Directors on the Business Activities of the Company and its Financial Position for the last business year, including the Report on the Relations between Interconnected Parties**
Draft resolution: The General Meeting approves the Report of the Board of Directors on the Business Activities of the Company and its Financial Position for the last business year, including the Report on the Relations between Interconnected Parties.
Reasoning: The Report of the Board of Directors on the Business Activities of the Company and its Financial Position for the last business year, including the Report on the Relations between Interconnected Parties was approved in accordance with the valid legislation and the valid Articles of Association of the Company.
- 3. The Proposal of the Business Activities for the Next Business Year**
Draft resolution: The General Meeting approves the Proposal of the Business Activities for the Next Business Year.
Reasoning: The Proposal of the Business Activities for the Next Business Year was approved in accordance with the valid legislation and the valid Articles of Association of the Company.
- 4. The Supervisory Board Report for the Last Business Year**
Draft resolution: No resolution is adopted in relation to this item; the General Meeting takes into account the presented Report of the Supervisory Board.
- 5. The approval of the Annual Financial Statement and the proposal for the distribution of the profit**
Draft resolution: The General Meeting approves the Annual Financial Statement and the proposal for the profit distribution
Reasoning: The General Meeting approves the Annual Financial Statement and the proposal for the profit distribution in accordance with the valid legislation and the valid Articles of Association of the Company.
- 6. The approval of an auditor of the Financial Statement**
Draft resolution: The General Meeting approves the auditor of the Financial Statement for the next business year (from 1st March 2015 to 29th February 2016), namely KPMG Česká republika Audit, s.r.o., whose registered office is in Prague 8, Pobřežní 648/1a, Post Code 186 00, Company Registration No. 49619187

Reasoning The Board of Directors proposes to appoint the selected auditor with regard to the previous cooperation and its professional erudition.

7. Adoption of Amended Articles of Association

Draft resolution:

General Meeting of the Company has decided in accordance with Section 421 paragraph 2 letter a) of Act No. 90/2012 Coll., on Business Corporations, as amended, and Article 9 paragraph 2 letter a) of the Articles of Association on the following changes in the Articles of Association:

(1) Article 9 paragraph 2 letter o) is amended as follows:

“decision on the settlement of loss”

(2) From Article 9 paragraph 2 the following letters are deleted: letters p), u) and w).

(3) In Article 9 paragraph 2 letters q) to t) are renumbered as letters p) to s), letter v) is renumbered as letter t), and letters x) to aa) are renumbered as letters u) to x).

(4) Article 14 paragraph 3 is amended as follows:

“Responsibilities of the Board of Directors include in particular the following:

- a) to implement business management and to ensure the operational affairs of the Company;*
- b) the Company's business concept and draft amendments thereto;*
- c) to exercise employer's rights;*
- d) to convene the General Meetings;*
- e) to arrange for processing and preparation for the General Meeting:*
 - proposals for additions and amendments to the Articles of Association;*
 - proposals to increase or decrease the share capital, as well as the issuance of bonds;*
 - ordinary, extraordinary, consolidated, or interim financial statements;*
 - proposal for profit distribution, including the amount and manner of payment of profit sharing and royalties;*
 - report on Company's business and its assets;*
 - proposals to cover Company's losses;*
 - proposals for the establishment and abolition of other Company bodies not listed in Article 8 of the Articles of Association as well as defining their position and authority;*
 - proposal to wind up the Company;*
 - proposal to appoint an auditor to verify the Financial Statements;*
- f) to execute the resolutions of the General Meeting;*
- g) to provide for the processing of simplified quarterly balances;*
- h) to decide, if necessary, on drawing funds from the reserve fund or another fund, if created;*
- i) to arrange for keeping records of book-entered securities through the Central Securities Depository;*
- j) to arrange for the proper keeping of prescribed records, accountancy, trade books and other Company documents;*

- k) *to compile a budget each year containing profit and loss statement and a breakdown of investments and that is divided into medium-term (five years) and short-term (one-year) budget in terms of time and to submit it to the Supervisory Board for approval;*
- l) *to prepare the full text of the Articles of Association, if there is a change in the content of the Articles of Association on the basis of any legal fact;*
- m) *to decide on amending the Articles of Association in accordance with the decision of the General Meeting of the Company in the event that it does not follow from the decision of the General Meeting, if and how the Articles of Association are to be amended.”*

(5) In Article 14 after paragraph 3 the following paragraphs 4 to 6 are added, with the following wording:

“4. Board of Directors is authorized to make the following acts only with the consent of the Supervisory Board:

- a) *to acquire or dispose of holdings in other entities as well as to acquire, dispose of, establish and abolish companies and factories;*
- b) *to acquire, dispose of and burden Company properties;*
- c) *to establish and dissolve branches;*
- d) *to assume liability and provide guarantees for the companies that belong to the AGRANA group, if the amount of the liability/guarantee provided equals or exceeds the amount of EUR 750 000 or if the amount of EUR 750 000 is reached or exceeded in case that the liability/guarantee is to be provided to other company;*
- e) *exceeding the budget in individual cases exceeding the amount of EUR 75 000. Individual case within the meaning of this provision also includes a burden based on a long-term contractual relationship;*
- f) *investments beyond the budget in individual cases exceeding the amount of EUR 75 000 or the total during a single fiscal year exceeding the sum of EUR 7 500 000;*
- g) *to draw loans and credits in individual cases exceeding the amount of EUR 75 000 or the total during a single fiscal year exceeding the sum of EUR 3 750 000, with a framework loan drawn regularly in the ordinary course of trade, only in the event that individual cases and simultaneously the total during a single fiscal year exceeds the sum of EUR 7 500 000;*
- h) *to provide loans and credits, unless they belong to normal business activities;*
- i) *to start or stop doing business in trade and production sectors;*
- j) *to establish general principles of trade policy;*
- k) *to grant procuration (special type of authorization under Czech law);*
- l) *to establish principles for the provision of share of profit or turnover and contributions to the pension insurance for company managers;*
- m) *further acts determined by the Supervisory Board or the General Meeting.*

5. Board of Directors is obliged to inform the Chairperson of the Supervisory Board of the Company in advance on the following acts:

- a) *closing or changing the contents of employment contracts or agreements on performance of office members with gross annual remuneration exceeding the amount of EUR 75 000;*

b) *promising to provide old-age and survivors' pensions for employees of the Company.*

6. *Chairperson together with another member of the Board of Directors always acts to the Company employees."*

(6) Article 14 paragraph 5 is amended as follows:

"In their activities, Board of Directors shall follow the principles approved by the General Meeting."

(7) Article 14 paragraph 4 and 5 are renumbered as paragraphs 7 and 8.

(8) Article 15 paragraph. 1 is amended, new wording is as follows:

"Board of Directors has two members."

(9) In Article 15 paragraph 5 is deleted and paragraph 6 is renumbered to paragraph 5.

(10) Article 18 paragraph 1 is amended, new wording is as follows:

"Board of Directors has a quorum if there are present, either personally or through a proxy, both of its members at their meeting. Each member of the Board of Directors has one vote."

(11) Article 18 paragraph 2 is amended as follows:

"To adopt resolutions in all matters discussed at the Board meeting, all members of the Board of Directors must vote for them."

(12) In Article 18 after paragraph 3 the following paragraph 4 is added, with the following wording:

"Supervisory Board can decide on the distribution of Board authority among individual members of the Board of Directors by sector of activity. Any distribution of authority among individual Board members by sectors of activity does not relieve the Board of Directors of their obligation to common decisions in accordance with paragraph 2 of this Article."

(13) In Article 20 after paragraph 3 the following paragraph 4 is added, with the following wording:

"In the case the authority is distributed among individual members of the Board of Directors by sectors of activity, members have an obligation to regularly inform each other of all relevant facts falling within their scopes."

(14) Article 20 paragraphs 4 is renumbered as paragraph 5.

(15) Article 22 paragraph 3 letter g) is amended as follows:

"to prepare and approve the rules of the Board of Directors, to adopt more detailed rules for the functioning of the Board of Directors and the distribution of authority among its individual members;"

(16) From Article 22 paragraph 3 letters i) to k) are deleted and new letters i) to u) are inserted with the following wording:

i) *"to approve the budget prepared by the Board of Directors;*

j) *to approve the acquisition or disposal of holdings in other entities as well as the acquisition, disposal of, establishment and abolishment of companies and factories;*

k) *to approve the acquisition, disposal of and burdening Companies properties;*

l) *to approve the establishment and dissolution of branches;*

- m) to approve the assumption of liability and provision of guarantees for the companies that belong to the AGRANA group, if the amount of the liability/guarantee provided equals or exceeds the amount of EUR 750 000 or if the amount of EUR 750 000 is reached or exceeded in case that the liability/guarantee is to be provided to other company;*
- n) to approve exceeding the budget in individual cases exceeding the amount of EUR 75 000. Individual case within the meaning of this provision also includes a burden based on a long-term contractual relationship;*
- o) to approve investments beyond the budget in individual cases exceeding the amount of EUR 75 000 or the total during a single fiscal year exceeding the sum of EUR 7 500 000;*
- p) to approve drawing loans and credits in individual cases exceeding the amount of EUR 75 000 or the total during a single fiscal year exceeding the sum of EUR 3 750 000, with a framework loan drawn regularly in the ordinary course of trade, only in the event that individual cases and simultaneously the total during a single fiscal year exceeds the sum of EUR 7 500 000;*
- q) to approve provision of loans and credits, unless they belong to normal business activities;*
- r) to approve starting or stopping doing business in trade and production sectors;*
- s) to approve general principles of trade policy;*
- t) to approve granting procuration;*
- u) to approve principles for the provision of share of profit or turnover and contributions to the pension insurance for company managers;*

(17) Article 22 paragraphs 3 letter l) is renumbered as letter v).

(18) In Article 22 paragraph 3 new letter w) is inserted with the following wording:

“w) to determine other acts that the Board of Directors may perform only with the consent of the Supervisory Board.”

(19) Article 22 paragraph 4 is amended as follows:

“In their activities, Supervisory Board shall follow the principles approved by the General Assembly.”

(20) Article 23 paragraph 2 is amended as follows:

“Members of the Supervisory Board are appointed and dismissed by the General Meeting. Candidates for members of the Supervisory Board are put forward to the General Meeting the Board of Directors. Member of the Supervisory Board must not also be a member of the Board of Directors.”

(21) Article 29 is amended incl. its Heading as follows:

“Representation of the Company

*In relation to third parties, Company is always represented in the entirety by **both** members of the Board of Directors.”*

(22) Article 30 is amended incl. its Heading as follows:

“Signing for the Company

*Signing for the Company takes place so that the Company name or Company stamp is accompanied by signatures of **both** members of the Board of Directors.”*

(23) Article 36 is amended incl. its Heading as follows:

“Reserve fund and other Company funds

1. Company shall establish:

- a) in cases prescribed by law a special reserve fund for its own shares in accordance with Section 316 of the Act on Business Corporations;*
 - b) other funds, if so decided by the General Meeting.*
- 2. The use of the reserve fund is decided by the Board of Directors. Any use of the reserve fund must be notified to the Supervisory Board.”*

Reasoning for the proposed amendments to the Articles of Association:

Purpose of the above amendments to the Articles of Association is **decreasing the number of members of the Board of Directors**, introducing the so-called four-eye principle in the Company and removing the provisions relating to the statutory reserve fund and to occupying the positions of Supervisory Board members by Company employees, which is not required by law any more.

8. Conclusion - No resolution is adopted to this item

A Decisive Date for the participation in the General Meeting is **10th June 2015**. Any shareholder listed in the extract from the records of the book-entered shares of Moravskoslezské cukrovar, a.s. as at the aforementioned Decisive Date is entitled to participate in the General Meeting, to vote and to exercise its shareholder rights therein. The registration of the shareholders will commence at 13:00 p.m. at the venue of the General Meeting.

Shareholders – natural persons are obliged to present a proof of identity during the registration. Statutory representatives of a shareholder – a legal entity are obliged to present a proof of identity and the original copy of the Extract from the Commercial Register which may not be older than 6 months, or an authenticated copy thereof. Besides, the proxies of shareholders are obliged to present a power of attorney in writing with a principal’s authenticated signature. The power of attorney must contain the extent of the proxy’s power, and it must follow thereof whether it was granted for the representation in one or more general meetings in a certain period.

The support documents related to the General Meeting, a new full wording of the Articles of Association, ordinary Financial Statement and the Annual Report, including the Report on the Relations between Interconnected Parties will be available to the shareholders in the registered office of the Company on working days from 9:00 to 12.00 a.m. 30 days prior to the holding of the General Meeting.

Main data from the Financial Statement for the business year 1.3.2014 – 28.2.2015 (in thousands of CZK):

Total assets	3 445 803
of which	
Fixed assets	643 717
Current assets	2 800 811
Other assets	1 275
Total liabilities	3 445 803
of which	
Equity	2 496 070
Not-own capital	949 638
Other liabilities	95

Profit/loss:

195 192

In Hrušovany nad Jevišovkou, on 30 April 2015

Ing. Stanislav Tobola
Chairman and in-charge member of the Board of Directors of
Moravskoslezské cukrovary, a.s.